

Attorney or Party Name, Address, Telephone & FAX Numbers, and California State Bar Number Ian S. Landsberg, Esq. (SBN: 137431) LANDSBERG & ASSOCIATES A Professional Law Corporation 16030 Ventura Boulevard, Suite 470 Encino, California 91436 Telephone: (818) 705-2777 Facsimile: (818) 705-3777 Email: ilandsberg@landsberg-law.com	FOR COURT USE ONLY
UNITED STATES BANKRUPTCY COURT CENTRAL DISTRICT OF CALIFORNIA	
In re: TOY ROCKET INC., Debtor(s).	CASE NO.: 2:09-bk-29311

NOTICE OF SALE OF ESTATE PROPERTY

Sale Date: 12/18/09	Time: 9:00 a.m.
Location: U.S. Bankruptcy Court, Courtroom 1675, 255 E. Temple Street, Los Angeles, CA 90012	

Type of Sale: ☒ Public ☐ Private Last date to file objections: 8:00 a.m. on December 18, 2009

Description of Property to be Sold: Debtor's operating assets, website "www.tovrocket.com", furniture, fixtures
and equipment, leasehold interests, inventory, goodwill and proprietary rights, including the rights in and to the Debtor's
name. Sale excludes all cash or cash equivalents, all preference or avoidance claims and actions of the Debtor and Debtor's
real property commercial lease.

Terms and Conditions of Sale: "As-is"; Free and clear of liens

Closing is to occur 2nd calendar day after entry of final order of the Court approving the Sale.

Initial Overbid of \$10,000 above Proposed Sale Price, with each subsequent bid in \$5,000 increments

Initial Overbid of \$10,000 includes \$7,500 Break-Up Fee

Proposed Sale Price: \$140,000

Overbid Procedure (If Any): See Notice of Overbid Procedures appended hereto. Qualified Bids must be
received by Debtor's counsel no later than 3:00 p.m. on December 17, 2009.

If property is to be sold free and clear of liens or other interests, list date, time and location of hearing:

Contact Person for Potential Bidders (include name, address, telephone, fax and/or e-mail address):

Ian S. Landsberg, Esq., Debtor's counsel
Landsberg & Associates, A Professional Law Corporation
16030 Ventura Boulevard, Suite 470
Encino, CA 91436; Tel: (818) 705-2777 Fax: (818) 705-3777
Email: ilandsberg@landsberg-law.com

Date: 12/14/09

1 Ian S. Landsberg, Esq. (SBN 137431)
2 Brigitte Gomelsky, Esq. (SBN 255717)
3 **LANDSBERG & ASSOCIATES**
4 **A Professional Law Corporation**
5 16030 Ventura Boulevard, Suite 470
6 Encino, CA 91436
7 Telephone: (818) 705-2777
8 Facsimile: (818) 705-3777
9 Email: ilandsberg@landsberg-law.com

10 Attorneys for Toy Rocket Inc.
11 Chapter 11 Debtor and Debtor in Possession

12
13 **UNITED STATES BANKRUPTCY COURT**
14 **CENTRAL DISTRICT OF CALIFORNIA**
15 **LOS ANGELES DIVISION**

16 In re

) Case No. LA 2:09-bk-29311-VK

) Chapter 11

17 TOY ROCKET INC.,

) **NOTICE OF OVERBID PROCEDURES**
) **FOR AUCTION OF SUBSTANTIALLY**
) **ALL OF THE ESTATE'S ASSETS**

18 Debtor and Debtor in Possession.

) Hearing:

) Date: December 18, 2009

) Time: 9:00 a.m.

) Place: Ctrm "1675"

) 255 E. Temple Street

) Los Angeles, CA 90012

21 //

1 **TO THE HONORABLE VICTORIA S. KAUFMAN, UNITED STATES BANKRUPTCY**
2 **JUDGE; THE OFFICE OF THE UNITED STATES TRUSTEE; TWENTY LARGEST**
3 **UNSECURED CREDITORS; COUNSEL FOR THE OFFICIAL COMMITTEE OF**
4 **UNSECURED CREDITORS, AND OTHER INTERESTED PARTIES:**

5 **PLEASE TAKE NOTICE** that the Court granted Debtor Toy Rocket Inc.'s (the "Debtor")
6 Emergency Motion For Order Establishing Procedures For The Sale Of Substantially All Of The
7 Estate's Assets" (the "Bidding Procedures") for the sale of substantially all of the Debtor's
8 operating assets, including its website "www.toyrocket.com", furniture, fixtures and equipment,
9 personal property leasehold interests, inventory, goodwill and proprietary rights, including the
10 rights in and to the Debtor's name, (the "Assets").

11 **PLEASE TAKE FURTHER NOTICE** that the Court has set a hearing on the sale/auction
12 of the Assets for December 18, 2009 at 9:00 a.m. before the Honorable Victoria S. Kaufman,
13 United States Bankruptcy Judge, in Courtroom "1675", of the Roybal Federal Building, United
14 States Bankruptcy Court located at 255 E. Temple Street, Los Angeles, California (the "Sale
15 Hearing" or "Auction").

16 **PLEASE TAKE FURTHER NOTICE** that under the Bidding Procedures, only Qualified
17 Overbidders may participate in the sale process and must attend the Sale Hearing to participate in
18 the Auction. Qualified Overbidders are those prospective bidders who submit a Qualified Overbid.
19 A Qualified Overbid is a prospective bidder who, in Debtor's sole discretion in conjunction with its
20 counsel and financial advisor Broadway Advisors, LLC, satisfies the following:

21 (1) deliver to Debtor's counsel Ian S. Landsberg, Esq., whose address is in the upper left-
22 hand corner of this document, current financial statements or other financial information of the
23 bidder or its equity holder(s) demonstrating the bidder's financial capability to consummate the
24 proposed sale, as determined by the Debtor in its sole discretion;

25 (2) deliver to Debtor's counsel an executed copy of an agreed form of an asset purchase
26 agreement;

27 (3) the purchase price shall be in an amount of at least \$10,000 higher than \$140,000;

28 (4) deliver to Debtor's counsel certified funds or wire transfer, in an amount equal to ten

1 percent (10%) of the proposed purchase price ("Good Faith Deposit"). The certified check shall be
2 made payable to "Landsberg & Associates Trust Account" and delivered to the attention of Ian S.
3 Landsberg, Esq. whose address is in the upper left-hand corner of this document. For wire
4 instructions, contact Ian S. Landsberg, Esq. directly for this information at (818) 705-2777.

5 (5) all of the foregoing **MUST** be received by Debtor's counsel before 3:00 p.m. on or
6 before December 17, 2009.

7 **PLEASE TAKE FURTHER NOTICE** that by making a bid, a Qualified Overbidder shall
8 be deemed to have agreed to keep its offer open until the earlier of (x) two business days after the
9 Assets have been disposed of pursuant to these Bidding Procedures, or (y) ten days after the Sale
10 Hearing.

11 **PLEASE TAKE FURTHER NOTICE** that should a prospective purchaser not be deemed
12 a Qualified Overbidder by Debtor, the prospective purchaser may appear at the Auction and request
13 the Court reconsider the Debtor's decision and deem it to be a Qualified Overbidder. The
14 prospective purchaser should bring all documents requested above to the Auction to submit to the
15 Court and be prepared to participate in the Auction should the Court deem it to be a Qualified
16 Overbidder.

17 **PLEASE TAKE FURTHER NOTICE** that only a Qualified Overbidder who has
18 submitted a Qualified Bid, as determined in the sole and absolute discretion of Debtor in
19 conjunction with their counsel and financial advisor Broadway Advisors, LLC, will be eligible to
20 participate at the Auction. At such Auction, the initial buyer Puzzle Mania, Inc. and Qualified
21 Overbidders will be permitted to increase their bids. In the event there is at least one Qualified
22 Overbidder, Debtor will conduct an auction (i) with each successive overbid to be at least \$5,000
23 higher than the previous bid, and (ii) setting any such additional procedural rules that it determines
24 to be reasonable under the circumstances for conducting the Auction;

25 **PLEASE TAKE FURTHER NOTICE** upon conclusion of an Auction, Debtor
26 accompanied by its counsel and financial advisor Broadway Advisors, LLC shall (i) review each
27 Qualified Bid on the basis of financial and contractual terms and the factors relevant to the sale
28 process, including those factors affecting the speed and certainty of consummating the Sale and (ii)

1 identify the highest and otherwise best offer (the "Successful Bid"). At the Sale Hearing, Debtor
2 shall present to the Bankruptcy Court for approval the Successful Bid and any backup bids. Debtor
3 may adopt rules for the bidding process that are not inconsistent with any of the provisions of the
4 Bankruptcy Code, any Bankruptcy Court Order, or these Bidding Procedures; and

5 **PLEASE TAKE FURTHER NOTICE** that following the Sale Hearing approving the sale
6 of the Assets to a Successful Bidder, if such Successful Bidder fails to consummate an approved
7 sale because of a breach or failure to perform on the part of such Successful Bidder, (a) it will
8 forfeit its Good Faith Deposit (or the Purchase Price if Puzzle Mania, Inc.) to the Debtor and the
9 Debtor may pursue any and all of its options at law and in equity with respect to such breach and
10 (b) the next highest or otherwise best Qualified Bid, as disclosed at the Sale Hearing, shall be
11 deemed to be the Successful Bid and the Debtor shall be authorized to effectuate such sale without
12 further order of the Bankruptcy Court or (c) Seller may reschedule the Auction to a later date and
13 time convenient to the Court.

14 **PLEASE TAKE FURTHER NOTICE** as part of the negotiations connected with the Sale,
15 initial buyer Puzzle Mania, Inc. has insisted upon, in the event that it does not end up being the
16 successful purchaser of the Debtor's Assets and a sale is consummated to a third party, being
17 compensated, at least partially, for the substantial fees, costs and the expenditure of other resources
18 it has incurred ("Break-Up Fee"). The Break-Up Fee is \$7,500. The initial overbid of \$10,000
19 includes the \$7,500 Break-Up Fee.

20
21 Dated: December 14, 2009

LANDSBERG & ASSOCIATES
A Professional Law Corporation

22
23 By: */s/ Ian S. Landsberg*

24 _____
25 Ian S. Landsberg
26 Brigitte Gomelsky
27 Attorneys for Toy Rocket Inc.
28 Chapter 11 Debtor and Debtor in Possession